MULTIMEDIA UNIVERSITY

STUDENT ID NO

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FINAL EXAMINATION

TRIMESTER 3, 2022/2023

BIR3084 – INDUSTRIAL RELATIONS

(All sections/Groups)

6 OCTOBER 2023
9.00 a.m – 11.00 a.m
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of 3 pages with 2 sections.

2. Attempt **ALL** questions in Section A and Section B. The distribution of the marks for each question is given.

3. Please write all your answers for Section A and Section B in the Answer Booklet provided.

SECTION A: Case study (40 Marks)

No US-style mass lay-offs expected in Malaysia, experts say

February 7, 2023 12:00 PM

Experts predict that Malaysia will buck the trend of mass lay-offs currently seen in the US where more than 70,000 have been discharged in a wave led by tech giants Amazon, Microsoft, Spotify and IBM amid concerns over a global economic downturn.

Speaking to MalaysiaNow, the Malaysian Employers Federation (MEF) acknowledged that 2023 would be a challenging year for Malaysia as well. However, MEF president Syed Hussain Syed Husman said the number of employees losing their jobs had been on a downtrend since 2020.

"From Jan 1 to 20, 3,181 employees were laid off," he said.

"Based on the number of employees who lost their jobs up to Jan 20, the number of lay-offs in 2023 is projected to be 61,000."

A total of 107,704 Malaysians lost their jobs in 2020, as the Covid-19 pandemic began sweeping across the country. Another 61,360 were laid off the following year. Last year, the number shrank to 34,388. Syed Hussain said the local job market was in fact expected to benefit from strong domestic demand, the reopening of China after three years of adhering to a strict "zero Covid" policy, and the revival of construction projects.

"The unemployment rate is below the 4% threshold, which puts Malaysia at full employment as per international standards specified by the International Labour Organization," he said.

Shahryn Azmi, founder of local gig jobs portal MakeTimePay, said any mass lay-offs in Malaysia would likely come as part of moves by US companies to rationalise their global operation costs.

"We also have to look at the types of workers being laid off in the US," he said.

"A close examination indicates that this may actually be just a significant housecleaning effort after a long period of overhiring.

"Google, for instance, has laid off its 31 massage therapists – about 6% of the 12,000 staff members laid off company-wide."

Continued ...

In Malaysia, Shahryn said, the problem was more likely the rising cost of living and employers' unwillingness or inability to raise their employees' salaries. As a result, he added, some were looking for ways to supplement their income even while holding down full-time jobs.

"They are effectively becoming gig workers, but with a firmer income base because they are also fully employed," he said.

He warned that this would continue to be the case pending a solution to the gap between salary and cost of living, envisioning a scenario where the majority of workers choose to be self-employed, working only in the gig market on a permanent basis. Syed Husman meanwhile said that Malaysia continues to face a shortage of foreign workers, of between 700,000 to 800,000.

Source: https://www.malaysianow.com/news/2023/02/07/no-us-style-mass-lay-offs-expected-in-malaysia-experts-say?utm_source=Newswav&utm_medium=Website

QUESTIONS

1. Why do experts believe that "No US-style mass layoffs are expected in Malaysia" based on the facts of the case?

   (8 marks)

2. If layoffs are inevitable, recommend **FIVE (5)** strategies that organisations can employ to navigate layoffs while minimizing negative consequences.

   (15 marks)

3. While workers may retain their jobs, more might be forced to find ways to supplement their income by joining the gig sector to meet the rising cost of living. Are gig workers protected under the employment laws? Justify your answer.

   (17 marks)

(Total: 40 marks)

Continued ...

SECTION B: Structured Questions (60 Marks)

QUESTION 1

ABC Manufacturing is a medium-sized company in the manufacturing sector. The company's employees have recently expressed interest in forming a trade union to address their concerns about working conditions, wages, and job security. The management team at ABC Manufacturing is divided in their attitudes toward the potential formation of a trade union. Some managers are supportive, while others are skeptical.

Discuss the **FOUR (4)** attitudes that employers may hold toward trade unions. Any advice to ABC Manufacturing's management team if they wish to establish a non-union climate in the organization?

(20 marks)

QUESTION 2

A transportation company is experiencing a labour dispute involving its employees and the trade union representing them. The dispute centers around disagreements over wages, working conditions, and benefits. The company and the union have reached an impasse in negotiations, leading to growing tensions.

Define the concept of a trade dispute and explain its various forms, including strikes, lockouts, and picketing. Using the scenario provided, analyse **FOUR (4)** possible factors that might have contributed to the escalation of the dispute.

(20 marks)

QUESTION 3

John has been working at XYZ Corporation for over a decade. He has always received positive performance evaluations and promotions. However, recently, the company hired a new manager who has been consistently assigning John menial tasks well below his skill level and experience. John's responsibilities and authority have been significantly reduced, and he is no longer part of important decision-making processes. As a result, John is feeling marginalized and undervalued.

Discuss whether John's situation meets the criteria for constructive dismissal. How can he proceed if he believes he has been constructively dismissed?

(20 marks)

End of Paper